

Automotive News

August 5, 1991

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One of the stars of Cadillac's 1992 line is the redesigned Eldorado. See product story on Page 3.

GM seeks most bang for the buck

Capital cutbacks put immediate focus on high-profit lines

Last in a series of articles exploring product plans of the U.S. Big 3 and Asian and European automakers.

PHIL FRAME
Staff Reporter

Pragmatists have taken over the future-product plan at General Motors, where tight capital is forcing tough decisions on new vehicles.

A \$500 million capital-spending cutback over the past year has forced GM to make some major shifts in its 10-year product plan.

Resources have been focused on programs that will deliver

the most bang for the buck. The Japanese standard of renewing cars every four or five years won't carry the day at GM.

Instead, the company is picking its spots. GM has accelerated Buick, Oldsmobile and Cadillac programs that yield high profits. It is tweaking other products while postponing overhauls. Blame the two-year industry downturn, war and recession for the change.

The automaker's \$7 billion annual budget for capital expenditures through 1994 is \$500 million less than it would be if more money were available.

If past spending patterns



hold, 80 percent, or \$5.6 billion a year, will be earmarked for vehicle programs, including parts, plants and tooling. While that still is a princely sum, it must cover the cost of replacing

see GM PLANS, 16.

Mitsubishi, Honda claim gains with 'lean-burn' engines

Big 3: Small cars are only winners

JACK KEEBLER
and **MARY ANN MASKERY**
Staff Reporters

The separate introductions last week of new fuel-efficient engines by Honda Motor Co. and Mitsubishi Motors Corp. show that the traditional gasoline engine has not yet hit the outer limits of development, according to many analysts and engineers.

But the new "lean-burn" engines do not represent any technological breakthroughs and, because they pose some emissions problems, do not really advance the CAFE argument in the United States, experts say.

And Japanese executives and Big 3 engineers alike were quick to point out that the new engines can, at least for the foreseeable future, be used only in the smallest cars, thereby limiting their market appeal.

"This technology allows us to achieve quite better fuel economy without sacrificing performance," Honda President Nobuhiko Kawamoto said in remarks quoted by *The New York Times*.

"But I don't know how well it will sell. Consumers these days are not so concerned with saving gaso-

line," he said.

The two Japanese automakers introduced 1.5-liter, four-cylinder engines that offer claimed fuel-economy gains of 10 percent, in Honda's case, and 20 percent for Mitsubishi, without loss of power.

Honda said it had achieved a 10 percent increase in fuel efficiency on the basis of changes in the engine alone. But it said it expects the home-market version of its new Honda Civic to be 20 percent more fuel efficient than its predecessor as the combined result of the engine and engineering changes to the car itself.

Honda said tests by Japan's Ministry of Transport showed that the new Civic, equipped with the lean-burn engine, traveled 49 miles on a gallon of gas in city driving, and more than 88 miles per gallon at a constant speed of 37 mph on the track.

But Honda did not suggest that similar improvements are possible in the United States, where test standards and driving habits are much different.

Honda said the new Civic, due in the United States next month, is expected to attain an EPA rating of 48 mpg city/55 mpg highway, compared with the existing Civic CRX (HF) rating of 49/52 mpg.

But the HF model, which ac-

see ENGINES, 34

Ford will charge dealers 1% of sticker for '92 ads

KATHY JACKSON
Staff Reporter

With its eyes on Chevrolet and Toyota, Ford Motor Co. will require its dealers to pay a set fee for local association advertising costs.

Beginning Sept. 1, Ford and Lincoln-Mercury divisions will assess their dealers a marketing charge equal to 1 percent of the sticker price of each car and truck ordered. The money will go to local Ford and L-M advertising committees, which may assess their members an additional charge of up to 1 percent.

Ford's dealer advertising money has fallen compared to competitors as its sales have dropped in the last two years.

By requiring the fee, Ford is joining General Motors and Chrysler Corp.

Currently, Ford's local advertising associations determine the ad fee. Those fees range from \$50 to

\$150 per vehicle for Ford dealers and from \$75 to \$290 for L-M dealers.

But a memo from Ford Division regional managers to dealers last month said that due to declining factory orders, Ford dealer contributions have fallen from 180 percent of Chevrolet dealer association contributions in 1988 to 80 percent last year.

Ford Division spokesman Mike Parris said that about 45 of the 62 Ford dealer associations are getting 1 percent of sticker or more from their dealers. He said that by requiring all associations to collect at least 1 percent, Ford contributions should "be on par with the industry."

Chevrolet and GMC Truck instituted a mandatory 1 percent charge in 1988. Toyota dealers contribute \$185 to \$300 for each vehicle ordered, generally well above 1 percent of the sticker.

see FORD ADS, 35



This scene from the 1990 L-M announcement show held two years ago in Atlanta won't be repeated at this year's "zero glitz" show.

SHOW TIME

But the glitz is gone; dealer intro meetings stress business

ANN M. SABTY
Special Correspondent

It won't be the same old song and dance for dealers attending this summer's new-model announcement shows.

Many dealers will find themselves at business conferences rather than at the Las Vegas-style productions they've come to expect.

"It looks bad to have singing and dancing if business is dying," says David Piel of Sausalito, Calif., recognized as one of the top stage managers in the country.

That was seconded by Richard Marshall, a Subaru of America Inc. spokesman. "Our shows are becoming more businesslike," he says. "They are more focused on the business aspects and less on the frills, probably because of the shape that the economy is in right now. The shows are now just focused on the business at hand, that is just showing the product to the dealers."

The shows either travel across the country to the dealers or the dealers travel across the country to the shows.

see SHOWS, 34

Pappert a 30-year survivor:

As Chrysler's vice president of sales, E. Thomas Pappert walks a tightrope between the automaker and its 5,200 dealers. Story on Page 3.

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AUTOMOTIVE NEWS/JOE WILSENS

Dealers describe E. Thomas Pappert, Chrysler's vice president of sales, as "tough," "straight-forward" and "willing to take the heat."

Rapport earns Pappert Chrysler dealers' respect

MARY CONNELLY

Staff Reporter

HIGHLAND PARK, Mich. — E. Thomas Pappert looks like a typical Detroit auto executive — until the sleeve of his suit jacket inches up to reveal a Mickey Mouse watch.

The watch provides a glimpse of Pappert's sense of humor and his rationale for wearing it may be one of the reasons that Chrysler Corp.'s vice president of sales has managed to flourish in his 30 years in the auto business.

"It kind of keeps your perspective on life," Pappert says of the watch his brother gave him. "You can't take yourself or life too seriously. I wear it once in a while, not every day."

These words from a man described as "tough," "straight-forward" and "willing to take the heat" by dealers.

Pappert's job is to represent the factory to dealers and the dealers to the factory. He has managed to survive nearly 30 years at Chrysler, weathering the company's near brush with death, executive suite turnover and management exodus.

In three decades in the auto business he has watched government regulators, Japanese makers and American car buyers transform the business.

He has emerged as an executive with a dry sense of humor who is quick to the quip. And he has garnered respect. The word used most often by colleagues and dealers to describe Pappert is "honest."

"There is never any double talk with him," said one member of the Dodge National Dealer Council. "He tells it straight. He has always leveled with the council. When he couldn't do something he would say so. He never said 'yes' or 'maybe' when he couldn't do it."

Notes Phillip Brown, chairman of the Chrysler-Plymouth National Dealer Council, "Pappert knows what's on dealers' minds."

Pappert gained that knowledge by working his way up in Chrysler's field operations throughout the country since joining the company as a sales trainee in 1962. During his career he has made stops in Charleston, W.Va.; Pittsburgh; Jacksonville, Fla.; Orlando, Fla.; Kansas City, Kan.; Chicago; and San Francisco.

But in the last year, he also has toured all 25 Chrysler sales zones, taking the pulse of dealers and buttressing their confidence during the industry

see PAPPERT, 33

Backshop and used-car sales boost '90 revenue for dealers

CHARLES M. THOMAS

Staff Reporter

Total sales for the average U.S. car dealership rose a scant 1.5 percent to \$12.6 million in 1990 from 1989, according to the upcoming National Automobile Dealers Association 1991 Data Book.

The rise came from the parts and service department and the sales of used vehicles — not from the new-car department, which has declined steadily since 1987.

New-vehicle department sales slipped 0.8 percent to \$7.68 million in 1990 from \$7.74 million in 1989.

"As profits on new cars eroded, dealers looked to other sources to improve revenues," said Frank Anderson Jr., NADA president and owner of Sir Walter Chevrolet in Raleigh, N.C.

Largely because of the increase in resales of daily-rental-fleet cars, sales of used vehicles rose 4.5 percent to \$3.02 million in 1990 from \$2.89 million in 1989. Used-vehicle sales as a percent of total sales have been rising steadily since 1985.

The rental or "program" vehicles are repurchased by manufacturers from the daily-rental companies and distributed to dealers through auto auctions. Manufacturers are expected to sell 1.5 million program vehicles in 1991.

Service and parts department sales rose to \$1.93 million from \$1.82 million, or 6.3 percent. Service and parts sales as a percent of total sales has increased steadily since 1986.

And the average net worth of dealerships increased

AVERAGE DEALERSHIP PROFILE

	1989	1990	% change
Total dealership sales	\$12,450,814	\$12,631,835	+1.5
New-vehicle sales	7,744,406	7,680,156	-0.8
% of total sales	62.2	60.8	
Used-vehicle sales	2,885,589	3,019,009	+4.5
% of total sales	23.2	23.9	
Service and parts sales	1,817,819	1,932,671	+6.3
% of total sales	14.6	15.3	
New-vehicle average selling price	15,400	15,900	+3.2
Net profit before taxes	124,506	126,318	+1.5
Average net worth	802,243	848,344	+5.7

Source: NADA industry analysis

to \$848,000 in 1990 from \$802,243, or 5.7 percent, largely due to reduction of debt by dealers.

"There has been some debt liquidation by dealers, and more of them are retaining more money in their businesses," said Anderson. "They are holding onto their capital."

The average transaction price of a new vehicle rose 3.2 percent to \$15,900 from \$15,400 in 1989. In 1984, the average price was \$11,100.

"Many of the imports introduced upscale vehicles like Lexus and Infiniti, which would account for the increase in the average transaction price of vehicles," said Anderson.

The 1991 Data Book will be sent to dealers during the next few weeks.



Lexus thinks its aggressively styled ES300 sedan will appeal to "leading-edge" baby boomers — 35- to 45-year-olds who make \$55,000 to \$125,000 annually.

NEW SPINS ON LUXURY

Lexus ES300 sheds Camry-clone image for wealthier buyer

KRISTINE STIVEN BREESE

Staff Reporter

NAPA, Calif. — When Lexus introduces the ES300 next month, it will have its first solid entry in the "near luxury" segment Lexus entered two years ago.

The aggressively styled 3.0-liter V-6 sedan will be pitted against a

How the ES300 measures up > 15

cadre of me-too \$20,000-to-\$30,000 entries that arrived after Lexus launched its first "entry-level" model, the ES250, in September 1989.

Shoichi Miyagawa, chief engineer on the ES300, said his goal was to bring the car more fully "in line with our customers' expectations" for Lexus. As such, the ES300 is bigger, more spacious and more powerful than the car it replaces.

And it will face competition that didn't exist two years ago, such as the Mitsubishi Diamante, Acura Vigor and Infiniti G20, as well as some revamped competitors: the BMW 3 series, Mazda 929 and Acura Legend.

Lexus believes the ES300 will be able to attract customers that the ES250 never reached, despite a higher price tag. The ES300 is expected to start in the mid-\$20,000 range; the ES250 lists for \$21,500.

Don Esmond, corporate sales

see ES300, 33

Eldorado shaped for the traditional, and younger, buyer

PHIL FRAME

Staff Reporter

TRAVERSE CITY, Mich. — The 1992 Eldorado represents the second step in Cadillac's attempt to offer contemporary designs that appeal to younger buyers.

Seville, Eldorado's platform sibling that was unveiled early this year, was the first step. In designing the Eldorado, Cadillac sought to create a different image, separate from the Seville.

Until now, the cars were nearly twins — the Seville a slightly longer, four-door version of the Eldorado. While the pair do have a family resemblance for 1992, Cadillac says they share only one exterior panel: the windshield.



Cadillac's designers tagged the angular 1992 Eldorado "the needle" while the platform-sharing Seville was nicknamed "the greyhound."

Unlike the more rounded Seville sedan, the Eldorado was sculpted as an aggressive luxury coupe with angular body lines, said Richard Ruzzin, who headed Cadillac's exterior design studio before becoming head of Adam Opel AG studios last month.

"When we were doing the Seville, we nicknamed it 'the greyhound' because of the rounded,

muscular look," Ruzzin said. "We called the Eldorado 'the needle' because it's sharper and really goes off in a different direction."

"Coupes are more of an American phenomenon, so an Eldorado buyer is going to be somewhat more traditional," a Cadillac spokesman said.

While the two cars are aimed at people with different tastes, the customer demographics are the same: 30 to 60 years old, \$70,000

see ELDORADO, 33

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Ford, GM clean up '91 luxury cars

Chrysler ups rebate payments; Honda, Suzuki extend programs

ARLENA SAWYERS

Staff Reporter

Ford Motor Co. dropped 1990 vehicles from its incentive schedule and, along with General Motors, added its 1991 luxury cars to the cleanup rebate list.

Also, Chrysler Corp. increased payments to customers on some 1990 and 1991 cars, and American Honda Motor Co. Inc. and American Suzuki Motor Corp. extended their dealer incentive programs.

Ford Division and Mercury are paying consumer rebates of \$500 to \$1,600 on cars. Consumer incentives on **Ford trucks** range from \$500 to \$2,000.

In lieu of rebates, consumers may choose cut-rate financing of 2.9 to 7.9 percent — specific rates depend on the vehicle.

Customer rebates on Mercury

Sable and Ford Taurus, Econoline and Aerostar are higher in Northeastern states than in other areas of the country. Rebates on Ford Mustang and Festiva and finance rates on Festiva vary by region.

Additionally, Ford and Mercury dealers receive a \$1,000 rebate on sales of 1991 Crown Victoria and 1991 Grand Marquis models.

Lincoln is offering consumers a \$2,000 rebate on the 1991 Town Car, Mark VII and Continental.

The Ford, Mercury and Lincoln programs expire Sept. 25.

Also through Sept. 25, **Cadillac** is paying customers \$1,500 on the 1991 Seville and Eldorado, \$2,000 on the 1991 DeVille and Fleetwood and \$2,500 on the 1991 Brougham.

Chrysler increased customer incentives on several models.

New rebates are: \$2,000 on the

1990 and 1991 Chrysler Imperial; \$1,500 on the 1990 and 1991 New Yorker Salon, 1991 Dodge Dynasty and 1991 Dodge Shadow convertible; \$1,000 on the 1991 Plymouth Laser RS Turbo and Eagle Talon TSi.

Added to the consumer rebate program are the 1991 Dodge/Plymouth Colt Vista at \$500.

Alternative financing from 2.9 to 9.9 percent, depending on contract length, remains the same. Company incentives end Sept. 30.

Honda extended the factory-to-dealer incentive of \$400 on 1991 four-door Civic through Sept. 3.

Suzuki revised and extended its incentive payments to dealers through Oct. 3. It is now paying dealers \$700 to \$1,000 on the 1990 and 1991 Swift and the 1991 Sidekick. Incentives on the 1990 Sidekick, which expired Aug. 2, were not renewed.

Special Correspondent Darrell Pressley contributed to this report.



1992 Porsche 968 unveiled

Here's an early look at Porsche's 968, due in showrooms this November as the successor to the 944. Styling elements borrowed from the 911 or the 959 supercar include large round headlights, fenders raised above the hood line and integrated fog lights. Power comes from a 3.0-liter, four-cylinder engine with electronic variable valve timing and a Bosch Motronic engine management system.

Ford ad campaign touts service after the sale

ARLENA SAWYERS

Staff Reporter

Ford Motor Co. is renewing its effort to keep its current customers happy with a new \$16 million ad campaign emphasizing quality service after the sale.

The "Quality Care" campaign claims, "It may be your car, but it's still our baby" and plays on the feeling many people have that their vehicles are part of the family.

The campaign will debut nationally in publications and on radio Aug. 12.

Thomas J. Wagner, general manager of Ford Parts and Service Division, said the campaign marks a new dedication to customer service at Ford.

"It's more than just advertising," said Wagner. "This program is an implied promise to customers that we're interested in him or her, the car and how we relate to each other."

Wagner said studies indicate that customer satisfaction is severely hampered when customers have to go to a dealership more than once for the same problem and when they don't get their vehicle back when promised.

Ford, said Wagner, has greatly curtailed such problems over the years with skilled service technicians in dealerships and new diagnostic equipment such as the Service Bay Diagnostic System to help service people make fast, accurate vehicle diagnosis.

Also, Ford has intensified its efforts to improve service employees' people skills by enrolling them in human relations courses.

Wagner said dealers are receptive to the program because they understand that their survival in a

highly competitive market depends as much on service as sales.

"Dealers are very pragmatic people," said Wagner. "They make decisions based on how it will affect them in the near term. The people who weathered the industry downturn the best are people who had a strong concentration on the parts and service end of the business."

Ford Parts and Service Division's ad agency, Ogilvy & Mather, is showcasing the division's renewed customer service efforts in an ad that positions Ford and its dealers as a surrogate family to their vehicles and customers.

The three-page print ad features panoramic shots of a stately rural home and stable.

The copy on the first page reads: "You feel it. You talk to it. You scrub it in places no one else would. But when it's not feeling well who shares your concern?"

The ad opens to a two-page spread which explains Ford's expertise in customer service. The copy ends with "After all, we are family."

In the center of the ad is the "It may be your car, but it's still our baby" tagline in bold letters.

The print ads will appear in several magazines including *Time*, *Newsweek*, *Car and Driver*, *Sports Illustrated* and *Ebony*.

Ogilvy & Mather also created three 60-second spots for national radio which star humorist and author Daniel Pinkwater.

For dealer associations, the agency created print ads and shorter versions of the radio spot. Ford will pay half the media costs for dealer groups which use the ads.

INCENTIVE WATCH — CUSTOMER INCENTIVES

NEW PROGRAMS	
GENERAL MOTORS (1991 models. Expires Sept. 25)	
Cadillac Seville, Eldorado	\$1,500
DeVille, Fleetwood	\$2,000
Brougham	\$2,500

FORD MOTOR CO. (1991 models. Finance rates in lieu of rebates start at 2.9 percent on Escort, 4.8 percent on Festiva, 7.9 percent on other Fords and Mercurys. There are no finance incentives on Lincolns. Programs expire Sept. 25.)	
Ford Festiva, Mustang	\$500-1,000
Escort	\$500-750
Tempo, Probe, Thunderbird	\$1,000
Taurus SHO	\$1,600
Other Taurus	\$750-1,250
F series, Econoline	\$500-1,000
Ranger	\$1,000
Bronco	\$1,500
Aerostar	\$1,000-2,000
Mercury Tracer	\$500-750
Topaz, Cougar, Capri	\$1,000
Sable	\$750-1,250
Lincoln Town Car, Continental, Mark VII	\$2,000

CONTINUING PROGRAMS	
CHRYSLER CORP. Finance rates in lieu of rebates start at 7.9 percent on minivans, 2.9 percent on other models. Programs expire Sept. 30.	
Chrysler Imperial (1990-91)	\$2,000
New Yorker Fifth Avenue and Salon (1990-91)	\$1,500
LeBaron (1990-91)	\$1,000
N.Y. Landau (1990)	\$700
Dodge Monaco (1990-91), Dynasty (1991)	\$1,500
Shadow conv. (1991)	\$1,000
Spirit (1990-91)	\$1,000
Colt Vista (1990)	\$1,000
Colt GL (1991), Colt (1990), Shadow (1990), Daytona (1990-91)	\$700
Shadow Highline (1991)	\$500
Colt Vista (1991)	\$500
Colt base (1991)	\$400
Dodge Trucks	
Ram D/W, Ramcharger (1990)	\$2,000
Ram van conversion (1990)	\$1,750
Ram D/W (1991), Dakota, Ram van, Ram wagon (1990)	\$1,500
Dakota, Ram wagon, van, conversion van, Ramcharger (1991)	\$1,000
Ram 50, Power Ram 50 (1990)	\$500
Ram 50, Power Ram 50 (1991)	\$300
Eagle Premier (1990-91)	\$1,500
Talon (1990)	\$1,000
Talon TSi (1991)	\$1,000
Other Talon (1991)	\$700
Summit (1991, except base), all Summit (1990)	\$700
Summit base 3-dr. (1991)	\$400
Jeep Cherokee (1990)	\$2,000
Cherokee (1991), Grand Wagoneer (1990-91)	\$1,500
Comanche (1990-91)	\$1,000
Wrangler (1990-91)	\$500
Plymouth Acclaim (1990-91), Laser (1990), Colt Vista (1990)	
	\$1,000

Laser RS Turbo (1991)	\$1,000
Other Laser (1991)	\$700
Colt GL (1991), Colt (1990), Sundance (1990)	\$700
Sundance Highline (1991), Colt Vista (1991)	\$500
Colt base (1991)	\$400
All minivans (1991)	\$500
All minivans (1990)	\$1,500

GENERAL MOTORS
Expires Sept. 25. Finance rates in lieu of rebates start at 4.9 percent for Buick and Pontiac, 6.9 percent for Chevrolet and GMC. Geo Prizms delivered by July 30 can be financed at 2.9 percent.

Buick (1991)*
Skylark, Century, Regal, LeSabre, Riviera, Reatta

*Based on option package ordered.

Chevrolet cars (1991)	
Cavalier	\$300
Geo Metro	\$400
Camaro, Corsica, Beretta	\$500
Geo Storm, Geo Prizm, Lumina, Caprice	\$1,000

Chevrolet trucks (1991)	
G van	\$500-1,000
C/K (except 454SS), R/V	\$500
Geo Tracker	\$750
Astro, S/T pickup, S/T Blazer Tahoe, Lumina APV	\$1,000
Other S/T Blazer (1991); V Blazer (1990-91), Suburban (1990-91)	\$1,500

GMC
G van (1990), R/V (1991), Sierra (1991), Sonoma (1991), S15 Jimmy (1991 4-dr. SLT), G van (1991), Safari (1991)

S15 Jimmy (1991), V Jimmy (1990-91), Suburban (1990-91)	\$1,500
Oldsmobile (1991)	
Oldsmobile has regional programs. This is an example.	
Cutlass Calais, Cutlass Supreme, Olds 88, Silhouette	\$1,000
Custom Cruiser, Bravada	\$1,200
Cutlass Ciera, 98	\$1,500
Toronado	\$2,000

Pontiac (1991)	
Grand Am, Trans Sport	\$750
Firebird, Grand Prix	\$1,000
Bonneville	\$1,500

HYUNDAI (expires Oct. 2)	
Excel (1990-91)	\$500-1,000
Sonata (1990-91, except SE)	\$1,000
Scoupe (1991, except SE)	\$750
All models	\$300 to military personnel
All models	\$1,000 if Hyundai is traded

MITSUBISHI (1990-91 models; expires Sept. 30 in California and Hawaii, Aug. 31 elsewhere)	
Mirage (national)	\$750
Galant, Eclipse (Hawaii)	\$1,000
Trucks (Hawaii)	\$1,250-1,500

SUBARU (expires Oct. 2)	
Loyale 4wd (1991)	\$500
Legacy (1991)	\$1,200
XT, XT6 (1991)	\$2,000

INCENTIVE WATCH

DEALER INCENTIVES	
NEW PROGRAM	
FORD MOTOR CO. (expires Sept. 30)	
Ford Crown Victoria (1991), Mercury Grand Marquis (1991)	\$1,000

CONTINUING PROGRAMS	
ALFA ROMEO (expires Dec. 31)	
164, 164L automatic (1991)	Up to \$200 per car monthly in floorplan aid

AUDI (expires Sept. 30)	
100/200	\$2,000-3,500

CHRYSLER CORP. (expires Sept. 30 unless otherwise noted)	
Dodge Shadow, Spirit (1991)	\$100-700, quota
Monaco (1991)	\$1,000-2,000, based on sales

Dodge truck	
Ram Club Cab (1990-91)	\$1,000
Ram D/W (1990-91)	\$500
Ramcharger (1990-91)	\$1,000
Eagle Premier (1991)	\$1,000-2,000, based on sales
Jeep Cherokee (1991)	\$500
Plymouth Sundance, Acclaim (1990-91)	\$100-700, quota
Minivans (1991) without air bags	\$500

GENERAL MOTORS	
Cadillac Allante (1991) (no expiration date)	
	\$7,500 on first sale, \$8,500 on additional sales
Oldsmobile (expires Sept. 25)	
Eighty Eight (1991)	\$1,000

HONDA (expires Sept. 3)	
Civic 4-dr. (1991)	\$400

HYUNDAI (expires Oct. 2)	
Sonata SE, Scoupe SE (1991)	\$100-300, based on sales

ISUZU (1991 models, expires Sept. 16)	
Cars	\$700-1,500
Trucks	\$700-1,800

MERCEDES-BENZ (1991 models, no expiration date listed)	
300SE, 300SD, 300SDL, 300SEL	\$3,000
420SEL, 560SEL	\$5,000

MITSUBISHI (1990-91 models; expires Sept. 30 in California and Hawaii; Aug. 30 elsewhere; payments vary by region.)	
Mirage	\$250-750
Eclipse	\$200-1,500
Galant	\$200-2,000
Trucks	\$200-1,500

PEUGEOT (1990, no expiration date)	
	\$2,000

SUZUKI (expires Oct. 3)	
Swift (1990-91)	\$700-1,000
Sidekick (1991)	\$700-1,000

VOLKSWAGEN	
All cars (1990, no expiration date)	\$500-1,500

VOLVO (expires Aug. 18)	
740 and 940 (1991)	\$1,500

GM loses N.J. tax appeal

LINDEN, N.J. — General Motors had asked for a decrease in the property tax assessment on its Linden assembly plant. Instead, the automaker last week received a whopping tax increase from the New Jersey Tax Court.

GM had sought a reduction on its Linden assembly plant assessment of \$22 million to \$28 million, based on market value of \$59 million to \$67 million. But the New Jersey Tax Court placed the true market value at \$94 million.

"GM lost its appeal and received an assessment increase of approximately \$1.5 million in additional

taxes for the years under appeal," said a spokeswoman from the Detroit law firm of Miller, Canfield, Paddock and Stone.

The automaker was dealt another defeat in early July by the Michigan Tax Tribunal in a similar case in Comstock Township. GM has tax assessment appeals pending in other Michigan communities.

A GM spokesman said company lawyers are still reviewing the New Jersey decision.

He said the New Jersey decision will not affect assessment appeals by GM in other communities.

PRODUCTION

SCHEDULED PLANT CLOSINGS

Plant	Weeks down	Units lost/week
CHRYSLER		
Belvidere, Ill.	8/5	*
Chrysler Fifth Ave.		
Chrysler Imperial		
Chrysler New Yorker		
Dodge Dynasty		
Newark, Del.	8/5	*
Dodge Spirit		
Chrysler LeBaron J		
Plymouth Acclaim		
Windsor, Ontario	8/5	1,273
(Pilett Road)		
Dodge Ram Van		
Dodge Ram Wagon		575
GENERAL MOTORS		
Baltimore	8/5	*
Chevrolet Astro		
GMC Safari		
Bowling Green, Ky.	8/5	*
Chevrolet Corvette		
Detroit	8/5	*
Commercial, recreational		
specialty vehicle chassis		
Fert Wayne, Ind.	8/5	*
Chevrolet C/K pickup		
GMC Sierra		
Janesville, Wis.	8/5	*
Chevrolet Kodiak		
GMC Topkick		
Lansing, Mich. (A Plant)	8/5	*
Suick Skylark		
Oldsmobile Cutlass		
Lansing, Mich. (B Plant)	8/5, 8/12, 8/19, 8/26, 9/2	*
Pontiac Grand Am		
Moraine, Ohio	8/5	*
Chevrolet S10 pickup		
Chevrolet Blazer		
Chevrolet postal vehicles		
GMC Sonoma		
GMC Jimmy		
Oldsmobile Bravada		
Pontiac, Mich. (West)	8/5	*
Chevrolet S10 pickup		
Chevrolet S10 Blazer		
GMC Sonoma		
GMC S15 Jimmy		
Scarborough, Ontario	8/5	*
Chevrolet full-sized vans		
GMC full-sized vans		
Tarrytown, N.Y.	8/5	1,215
Chevrolet Lumina		
Oldsmobile Silhouette		715
Pontiac Trans Sport		840
Wilmington, Del.	8/5, 8/12, 8/19, 8/26	*
Chevrolet Corsica		
Chevrolet Beretta		
Total U.S. truck		
2,770		
Total Canada truck		
1,848		
Total units lost week of 8/5		
4,618		

*Model changeover
Source: Automotive News Data Center

Riegle blasts delay in Honda content fine

WASHINGTON — Sen. Donald Riegle last week lashed out at the U.S. Treasury Department for what he called the sidetracking of a \$20 million penalty proposed against Honda Motor Co. Ltd.

The Japanese automaker is accused of incorrectly stating the North American content level of its Canadian-made Civics in order to qualify for duty-free clearance into the United States.

"This company has been cheating the United States of America," Riegle shouted at a hearing Tuesday of the Senate Finance Committee, which the Michigan Democrat chairs.

Riegle contended that the Treasury Department pressured the Customs Service to sidetrack the proposed penalty. Treasury denied the allegation. Customs Commissioner Carol Hallett said no penalty has yet been proposed because the Customs Service is still investigating whether Honda passed off as American-made some cars that were as much as 62 percent foreign-made.

"No one has interfered," Hallett told the committee. "No one has slowed it down. . . I am very proud of my record enforcing these

U.S. CAR

	Week Ended Aug. 3, 1991	Week Ended July 27, 1991	July Est.	Jan. 1 to Aug. 3, 1991	Jan. 1 to Aug. 4, 1990
Horizon	0	0	0	0	4,327
Sundance	1,600	0	5,145	28,607	46,284
Acclaim	0	0	4,226	46,336	58,136
Total Plymouth	1,600	0	9,371	74,943	104,749
LeBaron A	0	0	0	0	8,064
LeBaron J	0	0	0	18,697	28,800
N. Yorker C	0	0	656	4,773	24,835
Fifth Avenue	0	0	2,886	20,697	14,769
Imperial	0	0	529	4,563	12,503
Omni	0	0	0	0	4,078
Daytona	0	0	0	4,936	19,167
Shadow	1,650	3	5,568	33,903	53,236
Dynasty	0	0	4,572	66,450	64,916
Spirit	0	0	3,021	43,369	53,972
Total Dodge	1,650	3	13,661	148,658	195,380
CHRYSLER CORP.	3,250	3	27,363	274,333	363,889
Escort	5,799	5,773	15,035	118,730	124,810
Mustang	3,705	3,575	5,798	49,822	85,081
Tempo	3,469	3,114	8,116	66,433	80,283
Taurus	3,530	4,325	13,468	188,652	211,411
Thunderbird	1,631	1,494	4,631	45,656	72,407
Total Ford Div.	18,134	18,281	47,948	469,293	573,982
Topaz	941	1,311	3,381	26,824	31,672
Cougar	2,690	2,826	6,391	37,137	48,070
Sable	1,807	2,040	5,821	62,809	64,271
Total Mercury	5,447	6,177	15,593	128,778	144,013
Continental	1,263	1,285	3,234	32,892	35,628
Mark VII	221	234	577	5,764	13,496
Town Car	2,932	3,032	7,602	77,770	92,989
Total Lincoln	4,416	4,551	11,413	116,934	142,113
Total L-M Div.	9,863	10,728	27,006	244,804	286,126
FORD MOTOR CO.	27,997	29,009	74,954	714,097	860,115
Skylark	0	0	0	27,510	52,856
Century	0	0	6,909	52,082	41,930
Riviera	52	27	88	13,518	13,116
Park Ave./Electra	1,892	1,276	7,333	66,272	21,027
LeSabre	3,075	1,554	6,429	33,653	96,724
Roadmaster Sedan	0	0	2,884	13,582	0
Roadmaster Wagon	0	0	1,216	16,848	4,022
Realta	0	0	0	1,206	5,277
Total Buick	4,919	2,857	24,859	223,821	234,952
Eldorado	39	49	106	6,517	12,261
Seville	132	94	235	14,197	22,806
Brougham	0	0	838	10,857	15,781
Deville	3,538	2,640	13,839	88,153	95,902
Atlante	64	64	281	1,881	2,884
Total Cadillac	3,773	2,847	15,360	121,086	149,444
Cavalier	0	4,415	17,515	155,031	195,419
Camaro	0	0	4,337	29,600	40,731
Corsica-Beretta	2,160	2,167	18,576	154,471	168,387
Caprice	0	0	6,236	79,466	155,266
Corvette	0	0	1,248	13,135	14,645
Total Chevrolet	2,160	6,582	47,912	431,763	574,448
Calais	0	0	34,616	60,350	60,350
Cutlass Ciera	0	0	7,106	46,785	48,972
Cutlass Supreme	0	0	6,634	62,007	53,598
Tornado	27	16	54	2,843	9,509
86	2,301	2,022	8,919	42,966	62,139
Custom Cruiser Wag. H.	0	0	335	5,513	1,214
98	1,410	1,019	7,589	48,061	32,784
Total Oldsmobile	3,738	3,059	38,637	242,791	268,586
Sunbird	0	1,009	7,229	71,203	89,389
Grand Am	0	0	0	87,061	121,380
Firebird	0	0	1,378	9,828	25,402
Grand Prix	0	0	7,125	60,104	72,444
Pontiac 6000	0	0	0	19,863	36,411
Bonneville	3,149	2,698	9,197	34,437	46,523
Total Pontiac	3,149	4,587	24,929	282,256	391,585
Total Saturn	2,405	2,405	10,582	49,899	0
GENERAL MOTORS	28,844	22,257	154,219	1,361,575	1,818,985
DIAMOND-STAR*					
Civic	3,004	2,958	12,185	91,730	76,296
Accord	1,725	1,652	6,018	53,281	69,912
Honda	7,640	7,677	27,217	211,425	188,166
Honda	9,385	9,329	33,235	284,786	254,078
MAZDA*	3,501	3,485	12,421	93,138	182,580
NISSAN	2,634	2,628	8,845	77,888	51,086
Corolla	2,100	2,341	9,638	64,647	63,397
Geo Prizm/Novo	2,000	1,844	7,571	58,585	62,720
HUMMER	4,180	4,185	17,589	123,212	126,117
SUBARU-Isuzu Legacy	1,198	1,363	4,434	33,082	15,755
TOYOTA Camry	4,258	4,282	15,386	128,546	128,798
TOTAL INC 3	51,291	51,296	255,577	2,340,385	2,672,172
TOTAL TRANSPLANT	28,952	28,158	191,827	912,822	758,622
TOTAL CARS, U.S.	79,343	79,416	357,404	3,153,127	3,630,794
TOTAL CARS, CANADA	18,484	12,123	64,614	633,956	619,971
U.S., CANADA CARS	97,827	91,539	422,018	3,787,083	4,250,765
U.S., CANADA CARS AND TRUCKS					
143,088 155,784 788,504 8,172,567 7,173,134					

*Estimate
†1990 totals reflect LeSabre (red) ††1990 totals reflect Olds. 88 (red)
*Mazda includes MX-6, 626 and Ford Probe; Diamond-Star includes Eagle Summit and Telen, Mitsubishi Eclipse and Mirage and Plymouth Laser; CAMI includes Geo Metro and Suzuki Swift cars and Geo Tracker and Suzuki Sidekick trucks.

(trade) laws."

Riegle shot back: "You shouldn't be on this issue. You've got to figure out which side you are on, and so does this administration."

Canadian cars must contain at least 50 percent North American content in order to qualify for

duty-free export to the United States under the two countries' free-trade agreement. U.S. Customs officials and Honda — as well as a General Motors-Suzuki Motor Corp. joint venture in Canada — have disagreed over what constitutes North American content.

CANADIAN CAR

CANADIAN CAR	Week Ended Aug. 3, 1991	Week Ended July 27, 1991	July Est.	Jan. 1 to Aug. 3, 1991	Jan. 1 to Aug. 4, 1990
Monaco.....	0	0	557	5,343	5,920
Premier.....	0	0	280	5,630	5,832
CHRYSLER CORP.....	0	0	837	10,973	11,752
Tempo.....	0	2,843	2,843	62,846	69,481
Topaz.....	0	1,224	1,224	20,408	25,040
Crown Victoria.....	2,454	2,794	6,438	52,789	72,514
Grand Marquis.....	2,925	2,892	6,912	54,448	63,530
FORD MOTOR CO.....	5,379	9,753	17,417	190,491	230,585
Celebrity.....	0	0	0	0	20,319
Cutlass Ciera.....	0	0	4,968	41,099	53,487
Lumina.....	0	0	16,777	130,684	132,220
Regal.....	0	0	7,658	70,437	27,182
GENERAL MOTORS.....	0	0	29,433	242,218	263,298
CAMI**.....	2,580	0	3,546	68,770	0
HONDA Civic**.....	2,180	2,180	7,537	63,222	62,079
HYUNDAI Sonata.....	505	0	1,288	16,955	11,243
TOYOTA Corolla.....	0	0	3,882	38,190	35,871
VOLVO 740 and 940.....	0	188	684	5,145	5,253
TOTAL CARS, CANADA...	18,484	12,123	64,614	633,956	619,971
U.S. TRUCK					
Caravan.....	0	2,211	10,256	65,183	67,046
Dakota.....	0	0	5,241	46,032	40,049
Caravan CV.....	0	0	0	2,109	4,171
Ram pickups.....	0	0	5,286	46,082	50,323
Total Dodge.....	0	2,211	20,783	159,406	178,589
Cherokee.....	3,000	0	4,747	72,622	90,190
Comanche.....	50	0	109	2,877	4,241
Grand Wagoneer.....	0	0	0	1,560	3,770
Wagoneer.....	50	0	42	1,501	2,185
Total Jeep.....	3,100	0	4,898	78,509	100,386
Voyager.....	0	1,525	6,611	54,717	62,823
Town & Country.....	0	3	218	1,941	2,078
Total C-P Div.....	0	1,528	6,829	56,658	64,901
CHRYSLER CORP.....	3,100	3,739	32,510	294,624	335,876
Aerostar.....	5,773	4,590	12,519	97,219	122,058
Bronco.....	225	666	1,517	8,740	31,328
Explorer/Bronco II.....	5,266	3,981	11,923	153,912	104,986
Navigo.....	0	0	0	5,871	0
Econoline.....	4,030	4,063	10,852	81,547	115,778
Heavies.....	1,032	997	3,375	20,982	32,180
Light trucks.....	7,753	9,016	22,886	174,447	268,672
Ranger.....	6,905	6,883	16,680	150,436	170,576
FORD MOTOR CO.....	38,984	38,216	79,851	983,154	845,578
Astro.....	0	2,955	2,955	52,560	74,770
Blazer.....	125	231	883	5,140	10,762
Lumina APV.....	0	0	3,353	24,370	58,553
Mediums.....	0	149	862	863	5,005
P-Model.....	0	609	2,648	12,118	15,501
Pickups.....	0	3,039	20,169	166,986	249,657
S10.....	225	2,648	19,540	150,641	143,965
S10 Blazer.....	0	1,786	7,047	19,036	58,631
Sportswan.....	0	0	3,032	24,593	37,788
Suburban.....	426	809	3,362	17,666	42,346
Total Chevrolet.....	778	12,286	63,851	473,973	607,978
Jimmy.....	23	29	248	1,288	3,323
Mediums.....	0	412	1,363	1,361	5,571
P-Model.....	0	55	205	1,675	2,063
Pickups.....	0	1,472	8,839	74,553	89,497
Sonoma.....	0	1,103	5,378	35,338	33,116
S15 Jimmy.....	0	331	1,774	6,787	20,457
Safari.....	0	1,536	1,536	22,996	27,280
Suburban.....	306	456	2,277	14,646	21,211
Vandura/Rally Vans.....	0	0	778	11,209	14,129
Total GMC.....	331	5,394	22,386	178,453	218,647
Silhouette.....	0	0	1,836	12,990	23,636
Bravada.....	0	0	1,032	9,838	0
Total Oldsmobile.....	0	0	2,868	22,829	23,636
Pontiac Trans Sport.....	0	0	2,245	15,981	38,843
GENERAL MOTORS.....	1,187	17,889	91,358	983,215	975,103
NAVISTAR.....	1,555	1,489	4,805	43,187	44,780
NISSAN Pickup.....	2,880	2,827	6,879	76,781	87,334
SUBARU-ISUZU.....	944	1,124	4,724	38,998	18,478
AM GENERAL.....	488	488	1,768	12,950	13,598
MISCELLANEOUS**.....	2,650	2,650	11,688	79,320	98,605
TOTAL TRUCKS, U.S.....	43,489	58,855	232,741	1,913,217	2,409,000

NOTE

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